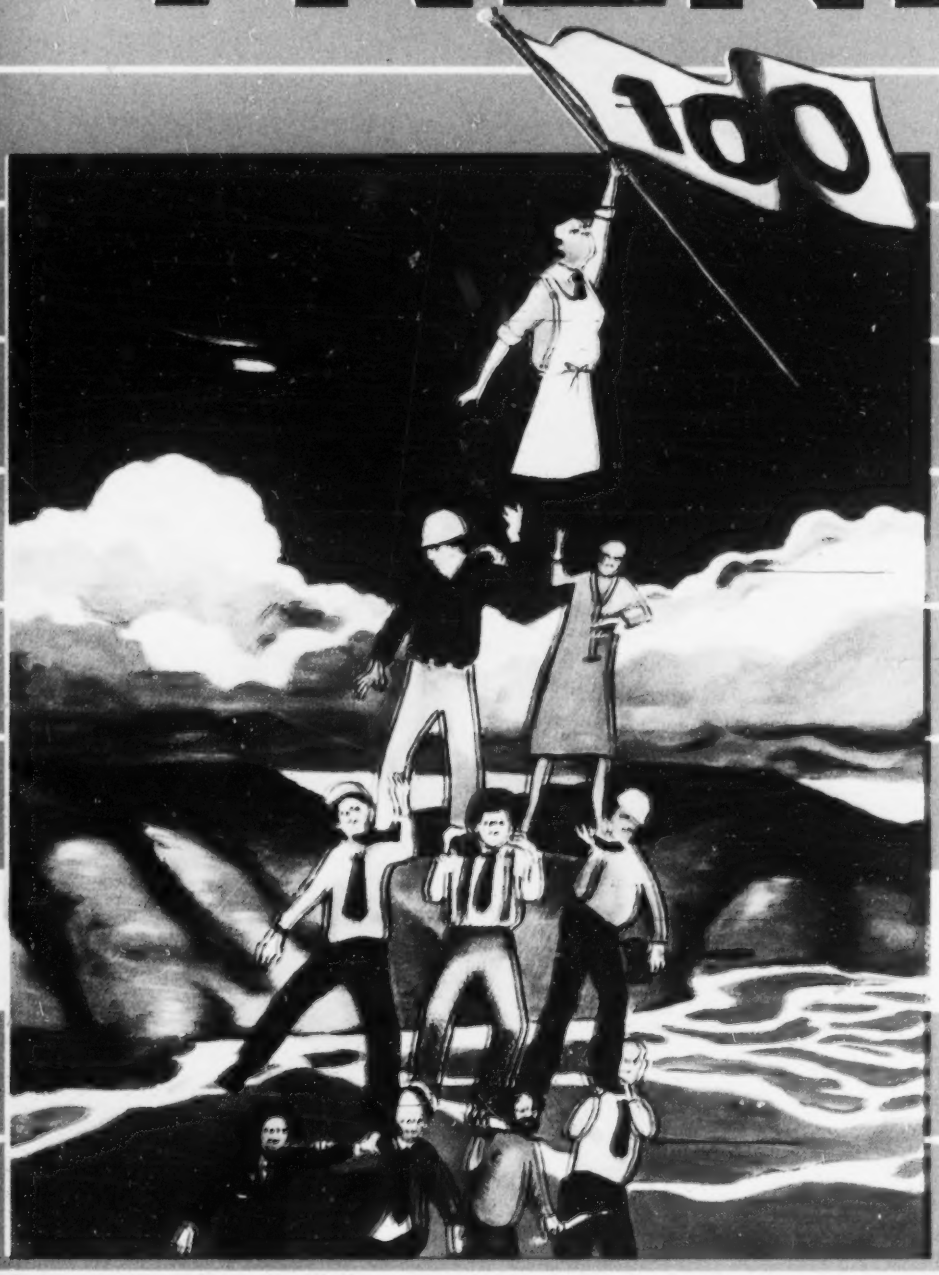
ALASKA ECONOMIC TRENDS



MAY'S MIXED SIGNALS

August 1992

ALASKA'S LARGEST PRIVATE EMPLOYERS IN 1991: THE *TRENDS* 100

ALASKA DEPARTMENT OF LABOR
WALTER J. HICKEL, GOVERNOR

ALASKA ECONOMIC

TRENDS

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Alaska's Largest Private Employers in 1991: The *Trends* 100

By Holly Stinson

For six years, ARCO Alaska led the list of the state's largest private employers.[1]/ In 1991, they were overtaken by Carr Gottstein Foods. This did not happen because ARCO had fewer jobs—they managed to add a few on an annual average basis in spite of cutting back late in the year. Instead, Carr's grocery chain overtook them by adding more than 100 new jobs in 1991. Carr's will likely remain in the number one spot in 1992. A new Kenai store and expansion of others, combined with a full year to take into account ARCO's smaller workforce, are the reasons for this position switch.

Trends 100 has durable seven

Table 1 lists the other ninety-eight large firms not mentioned above. To long-time readers of *Trends* many on this list are familiar. Seven of this year's ten largest businesses have been among the top ten for the seven years the Alaska Department of Labor has produced this analysis. Included in this group are Carr's, Providence Hospital and National Bank of Alaska. The two major producers at Prudhoe Bay—ARCO Alaska and BP Exploration—are among the durable seven, along with a related firm, Alyeska Pipeline. A fourth business with ties to the oil industry, VECO, rounds out the club (except for their 11th place rank in 1985).

The durable seven are not the only employers appearing on the list year after year. Seventeen of the twenty largest on the list have been among the top twenty firms for four years in a row. Eight new firms are among the *Trends 100* for 1991; six of the eight are from the transportation, communications and utilities category.

One in five jobs with large firms

The 100 businesses that make up the *Trends 100* employ just over one of every five workers in Alaska. (See Figure 1.) This includes all nonagricultural wage and salary workers in both the public and private sectors. More than 13,000 businesses account for the rest of private employment.

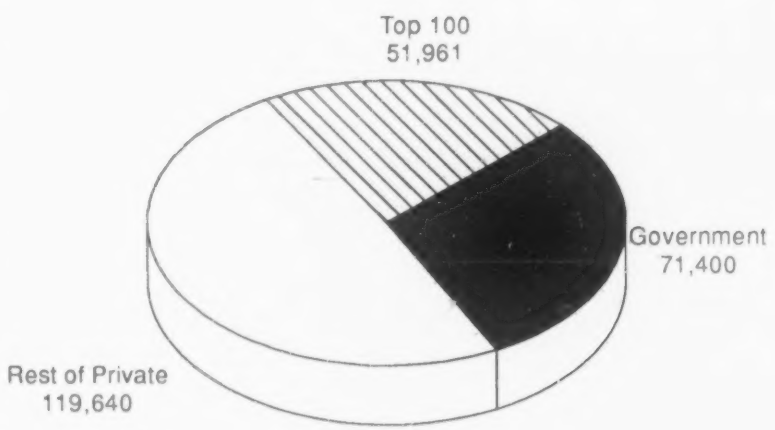
In keeping with tradition, Alaska's 100 largest private employers grew at a faster clip than the economy as a whole in 1991 (2.8% vs. 2.1%). For the seven years we have compiled a list of large firms, those firms on the list have grown at a faster pace than the whole private sector. They even managed to grow when the rest of the economy was losing ground. (See Figure 2.)

Holly Stinson is a labor economist with the Research & Analysis Section, Administrative Services Division, Alaska Department of Labor. She is based in Anchorage.

1/ Some large firms are not included in the Trends 100 if, because of the company's structure, they file more than one unemployment insurance report.

F i g u r e • 1

How Alaska's Employment Pie is Sliced
1991 Annual Average Employment



Source: Alaska Department of Labor, Research & Analysis

Trends 100 pay above average

Growth of the *Trends 100* payroll outpaced employment growth. A total payroll of $1.85 billion in 1991 represents a 4.4% increase from 1990. This compares to a 2.0% growth rate in the payroll for the entire private sector, and a 2.8% increase for total payroll including government workers.

The average monthly wage of a *Trends 100* employee was $2,963 in 1991, up from $2,921 in 1990. The average monthly wage for all wage and salary earners was $2,541 in 1991, $422 less than the largest firms paid. One reason for this difference is the greater representation of the oil and gas industry in the *Trends 100* than in the economy as a whole. This industry pays the highest average monthly wage in the state. Another reason is the smaller proportion of trade and services firms in the *Trends 100*, both industries that have lower-than-average monthly wages and many part-time jobs.

Seven of ten oil and gas jobs are with large firms

The oil and gas industry also dominates the *Trends* 100 when you look at the percent of an industry's total employment that is with these large firms. Figure 3 shows that seven of every ten jobs in the oil and gas business are with top 100 firms. More than half of all jobs in air transportation, seafood processing, and wood products businesses are also with *Trends 100* companies. It takes a lot of capital to extract oil or operate an airline, so it's not surprising that some of Alaska's largest firms are in these businesses. Economies of scale are realized when processing raw products such as fish and timber, which explains why so many companies in these businesses are large.

Other *Trends 100* firms account for only a small proportion of the jobs in a particular industry. These are in sectors where an operation can be successfully run by a handful of people or even a sole proprietor. For example, eating and drinking establishments range from the large chains in the *Trends 100*—McDonald's and Burger King, Pizza Hut and Taco Bell—to a one-person hot dog cart. Four of every five jobs in this category are with these smaller employers.

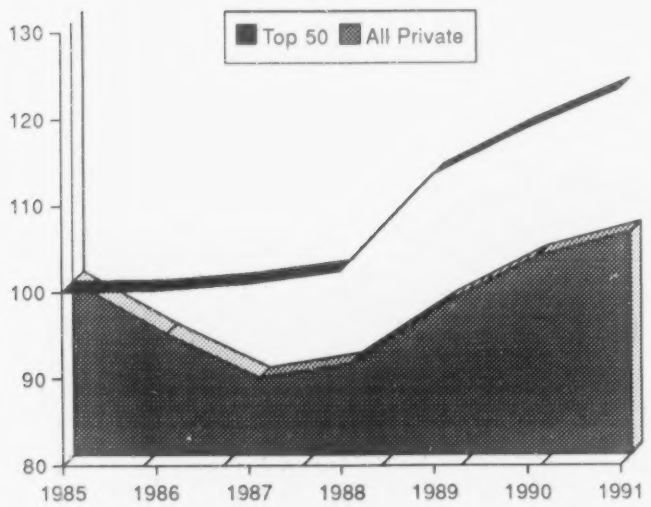
Another category well represented in the *Trends 100* but with a majority of jobs in smaller firms is health care. There are 11 hospitals and regional health corporations among the largest employers—more than from any other sector of the economy. The myriad of smaller medical offices and facilities, however, employ close to seven of every ten medical workers.

The 11 health care firms in the *Trends* 100 join 14 other businesses in the services industry to give this category the largest number of firms in the list. (See Figure 4.) They are closely followed by 24 businesses in the trade category. These two categories—trade and services—also make up the bulk of all private sector firms.

F i g u r e • 2

Largest Employers Grow Faster Than All Private Firms

Source: Alaska Department of Labor, Research & Analysis



1985 employment = 100

Newcomers in transportation, communications, utilities

An industry that increased its portion of the Top 100 pie this year is transportation, communications and utilities. Two bus operators, an airline, a telephone company, a courier service and a radar station operator were among Alaska's largest firms in 1991. (See Table 2.) Demand from the local population and/or tourists is what generates business for the first five of these firms. The size of both groups expanded in 1991 and resulted in employment growth for these businesses.

One firm from this group, UPS, burst onto the list into 65th place—the fastest growth of all the *Trends 100* firms. This is because their international operations on a new route to Japan were in full swing in 1991. Another from this group, MarkAir Express, appears on the list for the first time in 72nd rank.

Others who moved up 20 or more places in the rankings were Golden Frontier Enterprises (the Fairbanks McDonald's franchise) and Northwest Design Services. More part-time jobs at McDonald's, often filled by students and seniors, accounts for much of their employment jump. Northwest Design Services offers contract services, a concept becoming more popular each year. Employment data for the *Trends 100* includes only jobs on a firm's payroll, not contract employees.

A company in the mining industry, Cominco, moved up almost 20 rankings in 1991. This movement was not because jobs at their Red Dog mine increased, but rather because it was their first full year of operation.

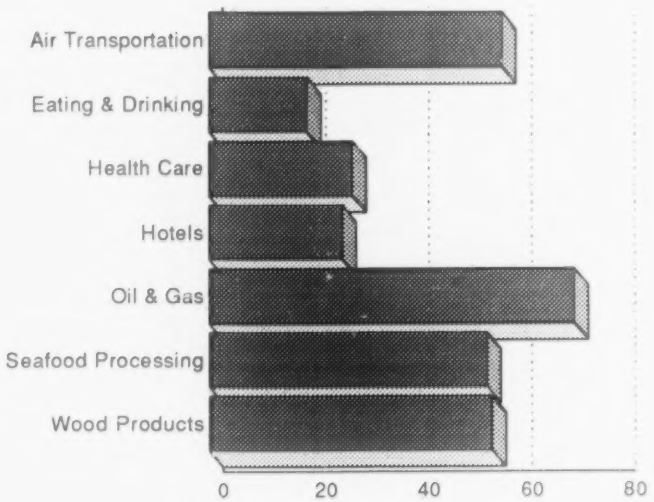
Cominco is the only representative from Northwestern Alaska on the *Trends 100* list. Most large firms—65%—cite Anchorage as their headquarters or largest work location. Many of the Anchorage firms, though, have operations throughout the state. Eight *Trends 100*

continued on page 9

Figure • 3

Most Oil & Gas Jobs Are With Top 100 Firms
Percent Of All Jobs In Selected Industries With Top 100 Firms

Source: Alaska Department of Labor, Research & Analysis



We would like to thank the 100 employers in this article for their cooperation, without which this article would not have been possible.

Table 1

Alaska's Top 100 Employers[a]

Rank	Firm Name	Employment	Largest Work Site	Business Activity
1	Carr Gottstein Foods	2,952	Anchorage	Retail-grocery
2	ARCO Alaska	2,914	Anchorage	Oil & Gas Production
3	Providence Hospital	1,825	Anchorage	Hospital
4	BP Exploration (Alaska)	1,502	Anchorage	Oil & Gas Production
5	VECO	1,441	Anchorage	Oil Field Services
6	Alyeska Pipeline Service Co.	1,269	Anchorage	Pipeline
7	National Bank of Alaska	1,202	Anchorage	Banking
8	Trident Seafoods	1,109	Akutan	Seafood Processing
9	Alaska Airlines	947	Anchorage	Air Carrier
10	Ketchikan Pulp Company	946	Ketchikan	Pulp & Lumber Products
11	MarkAir	931	Anchorage	Air Carrier
12	UniSea	926	Unalaska	Seafood Processing
13	Fred Meyer	898	Anchorage	Retail-general merchandise
14	Safeway Stores	895	Anchorage	Retail-grocery
15	Icicle Seafoods	869	Petersburg	Seafood Processing
16	All Alaskan Seafoods	801	Kodiak	Seafood Processing
17	Alaska Petroleum Contractors	800	Anchorage	Oil Field Services
18	First National Bank of Anchorage	786	Anchorage	Banking
19	Alascom	747	Anchorage	Telephone Communications
20	Westmark Hotels	740	Anchorage	Hotel
21	Fairbanks Memorial Hospital	727	Fairbanks	Hospital
22	Alaska Pulp Corp.	687	Sitka	Pulp & Lumber Products
23	Humana Hospital-Alaska	669	Anchorage	Hospital
24	Union Oil Co. of California	568	Anchorage	Oil & Gas Production
25	Sears Roebuck & Co.	559	Anchorage	Retail-general merchandise
26	ERA Aviation	550	Anchorage	Air Carrier
27	Pay'n Save Drug Stores	537	Anchorage	Retail-general merchandise
28	Alaska USA Federal Credit Union	511	Anchorage	Credit Union
29	JC Penney	476	Anchorage	Retail-general merchandise
30	Anchorage Daily News	476	Anchorage	Newspaper
31	Anchorage Times Publishing Co.	471	Anchorage	Newspaper
32	Alaska Commercial Co.	468	Anchorage	Retail-general merchandise
33	Peter Pan Seafoods	458	King Cove	Manufacturing
34	Tanana Chiefs Conference	454	Fairbanks	Social Services
35	Key Bank of Alaska	453	Anchorage	Banking

Alaska's Top 100 Employers/[a]

Rank	Firm Name	Employment	Largest Work Site	Business Activity
36	Federal Express	453	Anchorage	Air Courier Services
37	McDonalds	440	Anchorage	Retail-eating establishment
38	Spenard Builders Supply	433	Anchorage	Trade-lumber products
39	Ogden Facility Management of Alaska	429	Anchorage	Facilities Management
40	Yukon Kuskokwim Health Corp.	425	Bethel	Health Care
41	Chugach Electric Association	406	Anchorage	Electric Utility
42	Pizza Hut	402	Anchorage	Retail-eating establishment
43	HC Price	393	Anchorage	Construction
44	Lamonts	389	Anchorage	Retail-apparel
45	Nordstrom	378	Anchorage	Retail-general merchandise
46	Hotel Captain Cook	377	Anchorage	Hotel
47	Wards Cove Packing Co.	370	Naknek	Manufacturing
48	Southeast Alaska Regional Health Corp.	368	Juneau	Health Care
49	Sea-Land Freight Service	367	Anchorage	Shipping & Warehousing
50	NANA/Marriott Joint Venture	366	Anchorage	Retail-caterer
51	Anchorage Hilton Hotel	350	Anchorage	Hotel
52	Norton Sound Health Corp.	348	Nome	Health Care
53	Peak Oilfield Service Co.	337	Prudhoe Bay	Oil Field Services
54	Reeve Aleutian Airways	329	Anchorage	Air Carrier
55	Cominco Alaska	328	Red Dog	Mining
56	Our Lady of Compassion Care Center	326	Anchorage	Health Care
57	Burger King	323	Anchorage	Retail-eating establishments
58	Alaska Sales & Service	313	Anchorage	Motor Vehicle Dealer
59	Maniilaq Association	312	Kotzebue	Social Services
60	North Pacific Processors	307	Cordova	Seafood Processing
61	Northstore Ventures/7-11	299	Anchorage	Retail-grocery
62	Northwest Technical Services	297	Anchorage	Engineering Services
63	Alyeska Seafoods	293	Unalaska	Seafood Processing
64	Inlet Fisheries	292	Kenai	Seafood Processing
65	United Parcel Service	282	Anchorage	Courier Services
66	Hope Cottages	282	Anchorage	Residential Care
67	Matanuska Telephone Association	278	Palmer	Communications
68	Golden Frontier Enterprises/McDonalds	276	Fairbanks	Retail-eating establishments
69	Klukwan Forest Products	276	Juneau	Logging
70	ARA Leisure Services	276	Fairbanks	Retail-caterer

Table 1(cont.)

Alaska's Top 100 Employers/a

Rank	Firm Name	Employment	Largest Work Site	Business Activity
71	Mayflower Contract Services	273	Anchorage	Bus Charter Services
72	MarkAir Express	272	Anchorage	Air Carrier
73	Greens Creek Mining Co.	270	Juneau	Mining
74	American Guard & Alert	269	Anchorage	Guard Services
75	Costco Wholesale	267	Anchorage	Retail-general merchandise
76	Sheraton Anchorage Hotel	265	Anchorage	Hotel
77	Valley Hospital	262	Palmer	Hospital
78	Market Basket/SuperValu Foods	258	Fairbanks	Retail-grocery
79	Delta Air Lines	253	Anchorage	Air Carrier
80	Denali Foods/Taco Bell	250	Anchorage	Retail-eating establishments
81	Dynair Service	249	Anchorage	Transportation
82	Ketchikan General Hospital	245	Ketchikan	Hospital
83	Caterair International	244	Anchorage	Retail-caterer
84	E & S Diversified Services	244	Anchorage	Maintenance Services
85	Felec Services	241	Fairbanks	Radar Station Operator
86	Nabors Alaska Drilling	241	Prudhoe Bay	Oil Field Services
87	Bristol Bay Area Health Corp.	240	Dillingham	Health care
88	AK Specialized Ed.&Training Ctr. (ASETS)	239	Anchorage	Sheltered Workshop/Voc.Rehab
89	Tundra Tours	238	Fairbanks	Bus Charter Services
90	King Crab	236	Kodiak	Seafood Processing
91	Anchorage Cold Storage	230	Anchorage	Wholesale-grocery
92	Cook Inlet Processing	230	Nikiski	Seafood Processing
93	Enstar Natural Gas	223	Anchorage	Natural Gas Distribution
94	Laidlaw Transit	222	Anchorage	Bus Charter Services
95	Central Peninsula General Hospital	220	Soldotna	Hospital
96	GE Government Services	220	Anchorage	Communications Services
97	Earth Movers of Fairbanks	220	Fairbanks	Construction
98	Pace Membership Warehouse	219	Anchorage	Retail-general merchandise
99	Telephone Utilities of the Northland	219	Anchorage	Telephone Communications
100	GCI Communications	218	Anchorage	Telephone Communications
	TOTAL TRENDS 100 EMPLOYMENT	51,961		

a/Based on 1991 average employment. Firms with identical employment ranked by unrounded employment.
Source: Alaska Department of Labor, Research & Analysis Section.

Table 2

Trends 100 Employers by Industry

MINING	1991 RANK	1990 RANK
Alaska Petroleum Contractors	17	13
ARCO Alaska	2	1
BP Exploration (Alaska)	4	5
Cominco Alaska	55	74
Greens Creek Mining Co.	73	66
Nabors Alaska Drilling	86	89
Union Oil Co. of California	24	30
VECO	5	4
CONSTRUCTION		
Earth Movers of Fairbanks	97	79
HC Price	43	29
MANUFACTURING		
Alaska Pulp Corp.	22	22
All Alaskan Seafoods	16	17
Alyeska Seafoods	63	67
Anchorage Daily News	30	34
Anchorage Times Publishing Co.	31	32
Cook Inlet Processing	92	new
Icicle Seafoods	15	15
Inlet Fisheries	64	83
Ketchikan Pulp Company	10	10
King Crab	90	94
Klukwan Forest Products	69	47
North Pacific Processors	60	45
Peter Pan Seafoods	33	41
Trident Seafoods	8	8
UniSea	12	23
Wards Cove Packing Co.	47	42
TRANSPORTATION, COMMUNICATION & UTILITIES		
Alascom	19	16
Alaska Airlines	9	11
Alyeska Pipeline Service Co.	6	7
Chugach Electric Association	41	43
Delta Air Lines	79	75
Dynair Service	81	55

TRANS., COMM.,& UTIL. cont.	1991 RANK	1990 RANK
Enstar Natural Gas	93	95
ERA Aviation	26	26
Federal Express	36	40
GCI Communications	100	new
GE Government Services	96	new
Laidlaw Transit	94	new
MarkAir	11	12
MarkAir Express	72	new
Matanuska Telephone Association	67	82
Mayflower Contract Services	71	78
Reeve Aleutian Airways	54	60
Sea-Land Freight Service	49	58
Telephone Utilities of the Northland	99	97
Tundra Tours	89	new
United Parcel Service	65	new
TRADE		
Alaska Commercial Co.	32	28
Alaska Sales & Service	58	56
Anchorage Cold Storage	91	70
ARA Leisure Services	70	72
Burger King	57	48
Carr Gottstein Foods	1	2
Caterair International	83	65
Costco Wholesale	75	80
Denali Foods/Taco Bell	80	88
Fred Meyer	13	20
Golden Frontier/McDonalds	68	93
JC Penney	29	31
Lamonts	44	38
Market Basket/SuperValu Foods	78	76
McDonalds	37	39
NANA/Marriott Joint Venture	50	49
Nordstrom	45	37
Northstore Adventures/7-11	61	61
Pace Membership Warehouse	98	92
Pay'n Save Drug Stores	27	24
Pizza Hut	42	57
Safeway Stores	14	9
Sears Roebuck & Co.	25	25
Spenard Builders Supply	38	46

Table 2(cont.)

Trends 100 Employers by Industry

FINANCE, INSURANCE & REAL ESTATE	1991 RANK	1990 RANK
Alaska USA Federal Credit Union	28	27
First National Bank of of Anchorage	18	14
Key Bank of Alaska	35	33
National Bank of Alaska	7	6
SERVICES		
AK Specialized Ed. & Training Center (ASETS)	88	98
American Guard & Alert	74	62
Anchorage Hilton Hotel	51	51
Bristol Bay Area Health Corp.	87	91
Central Peninsula General Hospital	95	96
E & S Diversified Services	84	new
Fairbanks Memorial Hospital	21	19
Felec Services	85	52
Hope Cottages	66	81
Hotel Captain Cook	46	35
Humana Hospital-Alaska	23	21
Ketchikan General Hospital	82	86
Maniilaq Association	59	68
Northwest Technical Services	62	84
Norton Sound Health Corp.	52	69
Ogden Facility Management of Alaska	39	50
Our Lady of Compassion Care Center	56	59
Peak Oilfield Service Co.	53	71
Providence Hospital	3	3
Sheraton Anchorage Hotel	76	63
Southeast Regional Health Corp.	48	44
Tanana Chiefs Conference	34	36
Valley Hospital	77	77
Westmark Hotels	20	18
Yukon Kuskokwim Health Corp	40	53

Source: Alaska Department of Labor, Research & Analysis Section.

DEFINITIONS AND EXPLANATIONS

Employment data were obtained from the unemployment insurance reports which every employer in the state with one or more employees must file. Employment figures reported are the total number of people working during the payroll period which includes the 12th of each month (regardless of how many hours they worked).

Annual average employment is calculated by summing the 12 monthly figures reported to the Alaska Department of Labor on the Employer's Quarterly Report and dividing the total by 12.

Total employment of a parent company will not be captured, and therefore not appear in the Trends 100, if subsidiaries fileunemployment insurance reports under separate account numbers.

Confidentiality laws protect employment information. Therefore, it was necessary to receive written permission from each employer to publish employment data. This year, three employers refused to grant permission. The actual Trends 100 would have included two additional services firms and one air transportation firm. The last three firms in the Trends 100 list would have been omitted.

continued from page 3

businesses are located in Fairbanks, seven in Southeast Alaska, and the rest scattered throughout the state from Akutan to Prudhoe Bay.

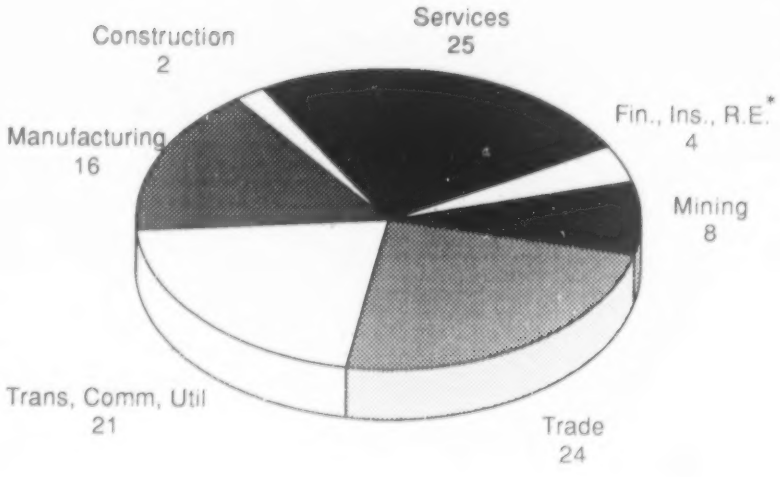
Summary

The Carr's grocery chain was Alaska's largest private employer in 1991. They overtook ARCO Alaska, a firm that held the number one spot for the past six years.

The *Trends 100* added employment at a faster pace than the economy as a whole, as they have done each of the past seven years. Their payroll grew 4.4% from 1990, and their average monthly wage of $2,963 was $422 higher than the average for all wage and salary earners.

Figure • 4

1 in 4 Top 100 Firms are in Services
Number of firms by Industry



Source: Alaska Department of Labor, Research & Analysis

*Finance, Insurance and Real Estate

Six of the eight new additions to the 1991 list are from the transportation, communications and utilities sector. Firms from the trade and services industries dominate the Trends 100 list, although in a smaller proportion than in the economy as a whole. A large share of oil and gas employment is with *Trends 100* firms. Seven of every 10 jobs in this field are with large companies. This contrasts with some categories such as eating and drinking establishments where only one in five jobs are with *Trends 100* firms.

The 100 largest firms employ one in five workers in the state, and close to one in three in the private sector. They are the building blocks of Alaska's economy, although there are more than 13,000 other firms in the private sector whose importance cannot be ignored.

May's Mixed Signals Mark Muddled Economy

By John Boucher

May's employment and unemployment statistics continued the recent pattern of mixed economic signals. On one hand, statewide wage and salary employment posted a strong gain—moving up more than 7,000 jobs from April's level. (See Table 1.) On the other hand the increase in wage and salary employment was not enough to drop the statewide unemployment rate. May's unemployment rate came in at 9.3%—one-tenth of a percentage point higher than April's. (See Table 4.)

Sluggish seasonal upturn continues

Since the beginning of the year, the state's economy has experienced a sluggish seasonal upturn. Except for January, the economy has created jobs at a slower than average pace. From January to May, Alaska's economy created wage and salary jobs at a slower rate than the average of the last five years. (See Figure 1.)

John Boucher is a labor economist with the Research & Analysis Section, Administrative Services Division, Alaska Department of Labor. He is based in Juneau

Alaska's oil and gas and timber industries are contributing to the sluggishness of the economy. The oil industry, particularly oil field services firms, was the single largest job loser compared to last year. There are about 1,400 fewer jobs in the oil & gas industry than there were last May. That translates to a 13.5% drop. Meanwhile, Southeast Alaska's timber industry continues to struggle—down about 450 jobs from last May.

While the oil & gas and timber industries are clearly big contributors to the May drop, other factors helped put the brakes on growth in May. After all, the oil and gas industry has posted employment losses since the fourth quarter of last year and the timber industry even longer. Despite these two industries losing jobs, the over-the-year employment growth had averaged about 5,000 jobs. In May that gain dropped back to 1,300.

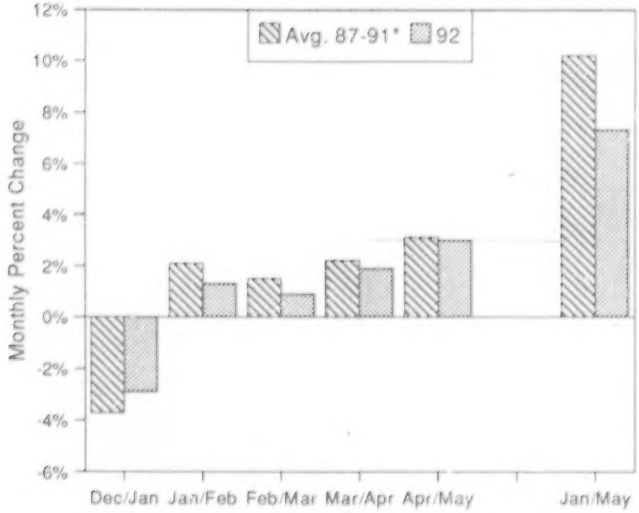
Seafood processing down, but salmon looking better than '91

One contributing factor to the May drop was that seafood processing employment fell behind its year-ago level for the first time since the fourth quarter of 1990. Most notable was that Southwestern Alaska, whose additional bottomfish capacity has spurred the statewide growth, also had less seafood processing employment than a year ago for the first time since late in 1990.

The drop in seafood processing employment during May is not necessarily an indicator of the overall health of Alaska's fishing industry. May is a transition month between the height of activity in the bottomfishery and the peak

Figure • 1

Average Change in Wage & Salary Employment 1987-1991



** 1989 changes for Mar/Apr & Apr/May removed from average due to oil spill.*

Source: Alaska Department of Labor, Research and Analysis Section.

salmon season in June, July and August. Despite lower May employment, early indications are that the salmon season will be better this year than last year. Last year was characterized by low fish prices, striking fishermen and closing processors. The Prince William Sound area was particularly hard hit by a disastrous pink salmon season which saw much of the catch unsalable.

On the price front, things are already looking up for fishermen. An early Copper River sockeye run saw prices up significantly from last year. While this run doesn't have a direct link to the massive Bristol Bay sockeye run later in the summer, it reinforced expectations for higher prices this season.

In addition, the Prince William Sound Aquaculture Corporation (PWSAC), which took a $5 million loss during last year's pink disaster, has already presold more pinks than they sold all of last year—at a price more than 25% above last year's.

What is interesting about the PWSAC deal is one factory trawl operator is easing its way into the pink salmon processing business. Golden Age Fisheries, a small factory trawler operating in the Bering Sea, experimented with processing pink salmon last year and they'll be expanding their presence this year. One reason the company decided to enter the pink salmon market was the rapidly changing bottomfish

continued on page 14

Table • 1

Nonagricultural Wage and Salary Employment by Place of Work — Alaska & Municipality of Anchorage

Alaska

	p/ 5/92	r/ 4/92	Changes from: 5/91	4/92	5/91
Total Nonag. Wage & Salary	247,400	240,200	246,100	7,200	1,300
Goods-producing	39,900	37,000	41,900	2,900	-2,000
Mining	10,600	10,800	12,000	-200	-1,400
Construction	10,700	8,800	10,300	1,900	400
Manufacturing	18,600	17,400	19,600	1,200	-1,000
Durable Goods	3,300	3,000	3,700	300	-400
Lumber & Wood Products	2,300	2,200	2,800	100	-500
Nondurable Goods	15,300	14,400	15,900	900	-600
Seafood Processing	11,400	10,500	11,900	900	-500
Pulp Mills	900	900	900	0	0
Service-producing	207,500	203,200	204,200	4,300	3,300
Transportation	22,200	21,100	22,000	1,100	200
Trucking & Warehousing	2,900	2,800	2,800	100	100
Water Transportation	1,400	1,200	1,700	200	-300
Air Transportation	7,100	6,900	7,100	200	0
Communications	3,600	3,500	3,500	100	100
Trade	47,900	46,100	47,100	1,800	800
Wholesale Trade	7,900	7,700	7,900	200	0
Retail Trade	40,000	38,400	39,200	1,600	800
Gen. Merch. & Apparel	6,300	6,200	5,800	100	500
Food Stores	7,300	7,200	7,000	100	300
Eating & Drinking Places	14,000	13,200	13,800	800	200
Finance-Ins. & Real Estate	10,900	10,600	10,700	300	200
Services & Misc.	52,600	50,800	52,300	1,800	300
Hotels & Lodging Places	5,500	4,700	5,400	800	100
Health Services	11,400	11,300	11,200	100	200
Government	73,900	74,600	72,100	-700	1,800
Federal	19,300	18,900	18,900	400	400
State	21,200	22,600	20,900	-1,400	300
Local	33,400	33,100	32,300	300	1,100

Municipality of Anchorage

	p/ 5/92	r/ 4/92	5/91	4/92	5/91
Total Nonag. Wage & Salary	113,300	110,800	112,600	2,500	700
Goods-producing	11,700	10,600	12,300	1,100	-600
Mining	3,400	3,500	4,000	-100	-600
Construction	5,700	4,700	5,700	1,000	0
Manufacturing	2,600	2,400	2,600	200	0
Service-producing	101,600	100,200	100,300	1,400	1,300
Transportation	12,100	11,500	11,900	600	200
Communications	2,100	2,100	2,100	0	0
Trade	25,800	25,100	25,800	700	0
Wholesale Trade	5,800	5,700	5,700	100	100
Retail Trade	20,000	19,400	20,100	600	-100
Food Stores	3,400	3,300	3,300	100	100
Finance-Ins. & Real Estate	6,800	6,700	6,600	100	200
Services & Misc.	29,100	28,700	28,800	400	300
Hotels & Lodging Places	2,300	2,300	2,300	0	0
Health Services	6,000	6,000	5,900	0	100
Government	27,800	28,200	27,200	-400	600
Federal	10,900	10,700	10,600	200	300
State	7,500	8,300	7,700	-800	-200
Local	9,400	9,200	8,900	200	500

Notes: Prepared in cooperation with the U.S. Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear here are definitionally different from those that appear in the Labor Force table.

Benchmark: March 1991
p/ denotes preliminary estimates
r/ denotes revised estimates

Source: Alaska Department of Labor, Research & Analysis Section.

Table • 2

Nonagricultural Wage and Salary Employment By Place of Work

Southeast Region

	p/ 5/92	r/ 4/92	Changes from: 5/91	4/92	5/91
Total Nonag. Wage & Salary	34,200	32,800	34,500	1,400	-300
Goods-producing	6,100	5,400	6,650	700	-550
Mining	350	350	350	0	0
Construction	1,250	1,100	1,250	150	0
Manufacturing	4,500	3,950	5,050	550	-550
Durable Goods	2,050	1,950	2,400	100	-350
Lumber & Woods Products	1,950	1,850	2,300	100	-350
Nondurable Goods	2,450	2,000	2,650	450	-200
Seafood Processing	1,350	950	1,600	400	-250
Pulp Mills	900	850	900	50	0
Service-producing	28,100	27,400	27,850	700	250
Transportation	2,650	2,500	2,700	150	-50
Trade	5,900	5,550	5,650	350	250
Wholesale Trade	600	550	550	50	50
Retail Trade	5,300	5,000	5,100	300	200
Finance-Ins. & Real Estate	1,150	1,100	1,200	50	-50
Services & Misc.	5,850	5,400	5,750	450	100
Government	12,550	12,850	12,550	-300	0
Federal	2,100	2,000	2,050	100	50
State	5,500	5,700	5,650	-200	-150
Local	4,950	5,150	4,850	-200	100

Fairbanks North Star Borough

	p/ 5/92	r/ 4/92	Changes from: 5/91	4/92	5/91
Total Nonag. Wage & Salary	29,300	28,150	27,800	1,150	1,500
Goods-producing	2,200	1,850	2,150	350	50
Mining	200	200	200	0	0
Construction	1,350	1,050	1,300	300	50
Manufacturing	650	600	650	50	0
Service-producing	27,100	26,300	25,650	800	1,450
Transportation	2,100	2,000	1,950	100	150
Trucking & Warehousing	500	450	450	50	50
Air Transportation	500	500	500	0	0
Communication	300	300	300	0	0
Trade	6,950	6,400	6,600	550	350
Wholesale Trade	800	750	800	50	0
Retail Trade	6,150	5,650	5,800	500	350
Gen. Merch. & Apparel	1,000	1,000	550	0	450
Food Stores	800	800	800	0	0
Eating & Drinking Places	2,500	2,000	2,550	500	-50
Finance-Ins. & Real Estate	1,000	1,000	950	0	50
Services & Misc.	6,250	6,000	6,250	250	0
Government	10,800	10,900	9,900	-100	900
Federal	3,300	3,200	3,300	100	0
State	4,450	4,750	3,700	-300	750
Local	3,050	2,950	2,900	100	150

Anchorage-MatSu Region

	p/ 5/92	r/ 4/92	Changes from: 5/91	4/92	5/91
Total Nonag. Wage & Salary	121,300	118,750	120,600	2,550	700
Goods-producing	12,350	11,150	12,900	1,200	-550
Mining	3,550	3,650	4,200	-100	-650
Construction	6,100	5,000	6,000	1,100	100
Manufacturing	2,700	2,500	2,700	200	0
Service-producing	108,950	107,600	107,700	1,350	1,250
Transportation	12,900	12,200	12,750	700	150
Trade	27,750	27,050	27,750	700	0
Finance-Ins. & Real Estate	7,100	7,000	6,950	100	150
Service & Misc.	30,650	30,250	30,400	400	250
Government	30,550	31,100	29,850	-550	700
Federal	10,950	10,850	10,700	100	250
State	8,300	9,150	8,450	-850	-150
Local	11,300	11,100	10,700	200	600

Interior Region

	p/ 5/92	r/ 4/92	Changes from: 5/91	4/92	5/91
Total Nonag. Wage & Salary	33,700	32,000	31,900	1,700	1,800
Goods-producing	2,500	2,050	2,400	450	100
Mining	450	400	400	50	50
Construction	1,400	1,050	1,350	350	50
Manufacturing	650	600	650	50	0
Service-producing	31,200	29,950	29,500	1,250	1,700
Transportation	2,350	2,250	2,200	100	150
Trade	7,350	6,750	6,950	600	400
Finance-Ins. & Real Estate	1,050	1,050	1,050	0	0
Services & Misc.	6,950	6,450	6,950	500	0
Government	13,500	13,450	12,350	50	1,150
Federal	4,050	3,850	4,000	200	50
State	4,750	5,050	4,000	-300	750
Local	4,700	4,550	4,350	150	350

Nonagricultural Wage and Salary Employment By Place of Work

Northern Region

	p/ 5/92	r/ 4/92	Changes from: 5/91	4/92	5/91
Total Nonag. Wage & Salary	14,600	14,750	15,350	-150	-750
Goods-producing	5,650	5,800	6,450	-150	-800
Mining	5,100	5,250	5,900	-150	-800
Service-producing	8,950	8,950	8,900	0	50
Government	4,450	4,500	4,450	-50	0
Federal	300	250	300	50	0
State	350	350	350	0	0
Local	3,800	3,900	3,800	-100	0

Gulf Coast Region

	p/ 5/92	r/ 4/92	Changes from: 5/91	4/92	5/91
Total Nonag. Wage & Salary	25,450	24,100	25,750	1,350	-300
Goods-producing	7,000	6,500	7,400	500	-400
Mining	1,100	1,100	1,200	0	-100
Construction	1,000	900	1,000	100	0
Manufacturing	4,900	4,500	5,200	400	-300
Seafood Processing	4,000	3,650	4,150	350	-150
Service-producing	18,450	17,600	18,350	850	100
Transportation	2,100	2,000	2,150	100	-50
Trade	4,600	4,300	4,300	300	300
Wholesale Trade	500	450	500	50	0
Retail Trade	4,100	3,850	3,800	250	300
Finance-Ins. & Real Estate	650	600	650	50	0
Services & Misc.	4,950	4,550	4,900	400	50
Government	6,150	6,150	6,350	0	-200
Federal	550	500	600	50	-50
State	1,750	1,850	1,850	-100	-100
Local	3,850	3,800	3,900	50	-50

Southwest Region

	p/ 5/92	r/ 4/92	Changes from: 5/91	4/92	5/91
Total Nonag. Wage & Salary	18,000	17,550	17,900	450	100
Goods-producing	5,950	5,850	6,150	100	-200
Seafood Processing	5,650	5,600	5,800	50	-150
Service-producing	12,050	11,700	11,750	350	300
Government	6,750	6,600	6,600	150	150
Federal	1,400	1,350	1,350	50	50
State	500	550	550	-50	-50
Local	4,850	4,700	4,700	150	150

Municipality of Anchorage — Other

	p/ 5/92	r/ 4/92	Changes from: 5/91	4/92	5/91
Durable Goods	500	400	500	100	0
Nondurable Goods	1,900	1,900	1,900	0	0
Trucking & Warehousing	1,700	1,700	1,600	0	100
Water Transportation	300	300	300	0	0
Air Transportation	4,300	4,300	4,100	0	200
Gen Merch & Apparel	3,000	3,000	2,900	0	100
Eating & Drinking Places	7,300	6,900	7,400	400	-100

Notes: Prepared in part with funding from the Alaska State Employment Security Division.
Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

The employment numbers that appear here are definitionally different from those that appear in the Labor Force table.

Benchmark: March 1991
p/ denotes preliminary estimates
r/ denotes revised estimates

Source: Alaska Department of Labor, Research & Analysis Section.

continued from page 11

industry. Shore-side allocations, by-catch problems with other species, dwindling stocks and closures to protect marine mammals were all reasons cited by the processor to diversify into the salmon market.

Air transportation growth abating

Another source of growth for Alaska's economy during the past several years has been the air transportation industry. The May pullout of MarkAir from Southeast Alaska and the subsequent consolidation of MarkAir and MarkAir Express cost the state some job growth in the transportation industry. Air transportation employment is still above year ago levels but that could change in June. Since the pullout and consolidation came in mid-May the full effects won't be seen in the employment statistics until the June numbers are released. In another industry development, Delta Airlines announced that it will be suspending service to Juneau in early September until the spring of 1993. While the current outlook for the passenger portion of the industry is dim, the cargo market continues to flourish. Alaska Airlines looks as if they will go ahead with a new facility planned for Anchorage International Airport.

Times closure a blow to manufacturing growth

May marked the demise of one of Alaska's larger employers as the Anchorage Times announced that it would be shutting down. Just like the MarkAir layoffs, the employment statistics won't show the 400 jobs that were lost in the closure until June. Some of those who lost jobs will be absorbed by the Anchorage Daily News. The combined job loss at MarkAir and the Anchorage Times may be enough to pull Anchorage employment to the negative side of the ledger for the first time in several years. The Times closure will also retard the forecasted employment growth for manufacturing in 1992 and 1993. The loss of one of Alaska's largest non-seafood manufacturers wasn't factored into the job growth projections made in the May issue of *Trends*. Alaska's manufacturing industry will be even more dependent upon the seafood industry to create new manufacturing job opportunities during the next two years.

Tourism, construction seasons begin on healthy note

May is the unofficial beginning of Alaska's summer tourist season, and if employment in tourist-related businesses is a good indicator of the strength of the season-this year started out as another banner one for the visitor industry. Employment was up sharply in hotels, tour companies, and restaurants which are just a few of the businesses affected by the tourist trade.

Another bright spot in May was Alaska's construction industry, which added nearly 2,000 jobs compared to April. Highway and street construction projects were responsible for a good deal of the May job growth. The outlook for highway and street construction work looks good since federal highway dollars coming into Alaska are expected to grow 46% over the next six years.

Yet another positive sign for Alaska's economy has been sustained oil prices of over $20/barrel. This has helped keep the average oil price during the state's recently concluded 1992 fiscal year above the most optimistic administration forecast. Any surplus that might be carried over into the 1993 fiscal year could help ease the budget crunches occurring in state agencies and local governments throughout the state. Even with this relief, layoffs at all levels of state and local government appear to be a certainty during the next fiscal year.

May stats provided mixed signals

Alaska's employment and unemployment statistics provided mixed news in May. Wage and salary employment posted a 7,000 gain; but it wasn't enough to keep the statewide unemployment rate from increasing from 9.2% to 9.3%.

While they didn't have a big impact on May statistics, the news of MarkAir's retrenchment and the closure of the Anchorage Times were both negative news for Alaska's economy. The cumulative effect of these events may push Anchorage employment below year-ago levels during the coming months.

On the positive side, Alaska's salmon fishing season looks like it will be a dramatic improvement over last year. The tourism season started off on a positive note and construction employment is rebounding on the strength of highway and street work. Higher oil prices have also brightened the state and local government revenue picture somewhat, but layoffs appear inevitable when the new fiscal year begins in July.

Overall, Alaska's economy in May could best be characterized by sluggish growth. And that more or less lives up to what was expected of the Alaskan economy during 1992.

Table • 3

Alaska Hours and Earnings for Selected Industries

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	p/ 5/92	r/ 4/92	5/91	p/ 5/92	r/ 4/92	5/91	p/ 5/92	r/ 4/92	5/91
Mining	$1,154.97	$1,197.89	$1,134.84	49.4	51.5	49.0	$23.38	$23.26	$23.16
Construction	1,052.88	1,032.51	1,058.59	43.4	44.2	44.2	24.26	23.36	23.95
Manufacturing	460.14	442.80	520.36	38.7	40.0	42.1	11.89	11.07	12.36
Seafood Processing	322.90	337.02	403.01	37.2	41.0	42.2	8.68	8.22	9.55
Trans., Comm. & Utilities	588.57	630.66	592.71	34.1	34.5	34.4	17.26	18.28	17.23
Trade	339.43	347.87	361.07	31.4	32.3	32.5	10.81	10.77	11.11
Wholesale	570.19	562.49	576.97	38.5	38.5	39.6	14.81	14.61	14.57
Retail	292.72	305.04	319.80	29.9	31.0	31.2	9.79	9.84	10.25
Finance-Ins. & R.E	431.60	426.62	388.11	34.5	34.6	33.4	12.51	12.33	11.62

Notes:
p/ denotes preliminary estimates
r/ denotes revised estimates
Benchmark: March 1991

Averages are based on data for full- and part-time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

Source: Alaska Department of Labor, Research & Analysis Section.

Next Month:

Economists Neal Fried and Holly Stinson examine the Prince William Sound's economy, including the aftereffects of the *Exxon Valdez* oil spill.

Table • 4

Labor Force By Region and Census Area

	Labor Force			Unemployment			Rate %			Employment		
	p/ 5/92	r/ 4/92	5/91	p/ 5/92	r/ 4/92	5/91	p/ 5/92	r/ 4/92	5/91	p/ 5/92	r/ 4/92	5/91
Alaska Statewide	261,475	255,229	260,138	24,208	23,473	21,398	9.3	9.2	8.2	237,267	231,756	238,740
Anch.-MatSu Region	133,656	131,678	133,246	11,155	10,858	9,682	8.3	8.2	7.3	122,501	120,820	123,564
Munic. of Anchorage	116,293	114,903	116,198	8,560	8,355	7,504	7.4	7.3	6.5	107,733	106,548	108,694
MatSu Borough	17,363	16,775	17,048	2,595	2,503	2,178	14.9	14.9	12.8	14,768	14,272	14,870
Gulf Coast Region	31,894	30,450	31,876	4,107	3,973	3,444	12.9	13.0	10.8	27,787	26,477	28,432
Kenai Peninsula Borough	19,664	19,076	19,593	2,638	2,853	2,172	13.4	15.0	11.1	17,026	16,223	17,421
Kodiak Island Borough	7,469	6,765	7,483	982	583	845	13.1	8.6	11.3	6,487	6,182	6,638
Valdez-Cordova	4,761	4,609	4,800	487	537	427	10.2	11.7	8.9	4,274	4,072	4,373
Interior Region	37,412	35,831	35,595	4,153	3,976	3,918	11.1	11.1	11.0	33,259	31,855	31,677
Fairbanks North Star Bor.	32,310	30,926	30,719	3,472	3,305	3,252	10.7	10.7	10.6	28,838	27,621	27,467
Southeast Fairbank.	2,152	2,112	2,013	309	347	258	14.4	16.4	12.8	1,843	1,765	1,755
Yukon-Koyukuk	2,950	2,793	2,863	372	324	408	12.6	11.6	14.3	2,578	2,469	2,455
Northern Region	8,303	8,373	8,569	992	911	887	11.9	10.9	10.4	7,311	7,462	7,682
Nome	3,094	3,143	3,202	419	413	392	13.5	13.1	12.2	2,675	2,730	2,810
North Slope Borough	2,906	2,947	3,035	141	125	129	4.9	4.2	4.3	2,765	2,822	2,906
Northwest Arctic Borough	2,303	2,283	2,332	432	373	366	18.8	16.3	15.7	1,871	1,910	1,966
Southeast Region	35,407	34,408	36,103	2,812	2,840	2,587	7.9	8.3	7.2	32,595	31,568	33,516
Haines Borough	913	889	943	138	138	146	15.1	15.5	15.5	775	751	797
Juneau Borough	15,652	15,170	15,913	912	895	756	5.8	5.9	4.8	14,740	14,275	15,157
Ketchikan Gateway Bor.	6,672	6,477	6,830	632	627	619	9.5	9.7	9.1	6,040	5,850	6,211
Pr. of Wales-Outer Ketch.	2,748	2,621	2,828	344	293	356	12.5	11.2	12.6	2,404	2,328	2,472
Sitka Borough	4,112	3,971	4,127	272	252	179	6.6	6.3	4.3	3,840	3,719	3,948
Skagway-Yakutat-Angoon	1,743	1,725	1,762	242	271	219	13.9	15.7	12.4	1,501	1,454	1,543
Wrangell-Petersburg	3,567	3,555	3,700	272	364	312	7.6	10.2	8.4	3,295	3,191	3,388
Southwest Region	14,803	14,489	14,749	989	915	880	6.7	6.3	6.0	13,814	13,574	13,869
Aleutians East Borough	1,056	1,024	1,044	45	30	29	4.3	2.9	2.8	1,011	994	1,015
Aleutians West	2,893	2,822	2,895	60	38	51	2.1	1.3	1.8	2,833	2,784	2,844
Bethel	5,707	5,602	5,681	471	457	424	8.3	8.2	7.5	5,236	5,145	5,257
Bristol Bay Borough	559	565	547	25	40	11	4.5	7.1	2.0	534	525	536
Dillingham	2,686	2,649	2,636	185	191	125	6.9	7.2	4.7	2,501	2,458	2,511
Wade Hampton	1,902	1,827	1,946	203	159	240	10.7	8.7	12.3	1,699	1,668	1,706

Notes: p/ denotes preliminary estimates r/ denotes revised estimates Benchmark: March 1991

- *Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey in formulas used to allocate federal funds.*
- *Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor.*
- *The official definition of unemployment currently in place excludes anyone who has made no attempt to find work in the four-week period up to and including the week that includes the 12th of each month. Most Alaska economists believe that Alaska's rural localities have proportionately more of these discouraged workers.*
- *he employment numbers that appear above are definitionally different from those that appear in the Nonagricultural Wage & Salary Employment tables.*

Source: Alaska Department of Labor, Research & Analysis Section.

Alaska Employment Service

Anchorage: Phone 269-4800

Bethel: Phone 543-2210

Dillingham: Phone 842-5579

Eagle River: Phone 694-6904/07

Mat-Su: Phone 376-2407/08

Fairbanks: Phone 451-2871

Glennallen: Phone 822-3350

Kotzebue: Phone 442-3280

Nome: Phone 443-2626/2460

Tok: Phone 883-5629

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